

# School Programs Commodity Update

## What's New in the Food Distribution Program for Schools

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### COMMODITY FORECAST LOOKS GOOD

SY 2003 purchases have begun, and most products will be delivered according to schedule.

Prices for some fruit and vegetable products are higher than expected, but we have been able to order the quantities requested by schools. Although we started out slow with purchasing pork products this year, we expect

to be able to obtain the quantities desired by schools.

### EXPECT ABUNDANT BONUS COMMODITY PURCHASES

This summer USDA offered schools a number of bonus commodities. These bonus products are for delivery to State facilities from September 2002 through April 2003. Available commodities are:

- Frozen & Canned Peaches
- Frozen & Canned Cherries
- Frozen & Canned Apricots
- Frozen & Canned Sweet Potatoes
- Frozen & Dried Blueberries
- Cranberry Products
- Canned Pineapple
- Canned Pears
- Raisins
- Walnuts
- Egg Products

### 2002 FARM BILL INCREASES AMOUNT OF FUNDING FOR THE DOD FRESH PROGRAM

The 2002 Farm Bill increases the funding for the fresh fruits and vegetables that USDA purchases through the Department of Defense (DOD) Fresh Program. Beginning in SY

2002 and continuing through SY 2008, \$50 million per year is being made available for this program. This funding increase allows USDA to offer the program nationwide.

Prior to the change in the Farm Bill, 31 States participated and \$25 million of entitlement funds were used for the program.

Under this program, which began in 1994, USDA entered into a partnership with DOD to purchase fresh fruits and vegetables and deliver them to schools. Through DOD, USDA is able to offer schools a wider variety of products with frequent deliveries.

This program has been very popular with participating schools.

**Remember....**

*National School Lunch Week*

October 13-19, 2002

**COMMERCIAL LABELS NOW ON MORE USDA COMMODITIES**

**Y**ou may be seeing commercial labels on more USDA commodities this school year. Manufacturers have the option of using commercial labels on all USDA commodity products, or they can still use USDA's labels. If using commercial labeling, manufacturers must use a trace and coding system that tracks product to the specific USDA contract and destination, in the event of a recall.

Beginning last school year, States were given the opportunity to allow schools to use a single inventory record keeping system on a voluntary basis. States that chose to use this system were granted a waiver from Federal regulations that require reporting commodity

inventory separate from purchased inventory. Thus, schools do not have to keep commodity and purchased foods separate. Schools that used the system did not report any problems. Some have said it saves them labor hours.

**USDA ANNOUNCES VALUE OF DONATED FOODS AS 15.25 CENTS PER MEAL**

For the 2003 school year--July 1, 2002--through June 30, 2003--USDA announced the value of donated foods or cash in lieu of donated foods it gives schools and institutions as 15.25 cents. The per meal rate applies to each lunch schools participating in the National School Lunch Program serve.

For the 2003 school year, the commodity rate for commodity-only schools is 35.25 cents for each free, reduced price, and paid lunch served.

USDA announced this rate increase in the July 12<sup>th</sup> *Federal Register*.

Also, Congress, in the 2002 Farm Bill, required USDA to make adjustments that will result in an additional reimbursement of 3 cents or more per meal for SY 2003-2004.

**TESTING CONTINUES ON THE ELECTRONIC COMMODITY ORDERING SYSTEM (ECOS)**

The California, Virginia, Connecticut, and Illinois State Distributing Agencies continue to test an automated web-based system that is allowing States and, potentially, recipient agencies to enter food orders directly into a centralized USDA food ordering computer system. The system will be offered to other

State agency commodity distribution programs nationwide during this school year.

The automated system will allow States to enter commodity orders and send them directly to USDA. The system will also provide information on entitlement levels, transfers, commodity recalls, and delivery order status. States will have the option to continue to use their own ordering system, as long as it interfaces with ECOS. States, in turn, will decide whether or not to make the web-based system available to local recipient agencies, or continue using their own ordering and communication systems.

### **HOW TO RESPOND TO A FOOD RECALL**

USDA recently unveiled a resource guide for school food service professionals. The guide, which includes a brochure, poster, and manual entitled, *Responding to a Food Recall*, can be used as a reference and for training purposes. The guide is designed as a reference for foodservice directors and managers when:

- USDA issues a food recall notice on one of its commodity products, *or*
- A manufacturer or responsible government agency issues a recall on a food that has been purchased.

USDA, through a cooperative agreement with the National Food Service Management Institute, produced the guide. The guide aims to provide step-by-step instructions on how to respond to a food recall and ensure that information is shared, activities are coordinated, and problems are analyzed and solved promptly.

The resource guide is in the process of being

distributed to school district central offices nationwide. It can also be accessed via the National Food Service Management Institute's web site at [www.nfsmi.org](http://www.nfsmi.org) address. Once in the site, click on "What's New," then go to "Resources" and click on either "Manual," "Brochure," or "Poster."

### **REVIEW OF COMMODITY FRUIT AND VEGETABLE SPECIFICATIONS COMPLETED**

USDA has completed a review of its specifications for the commodity fruits and vegetables it offers to schools. This is a part of an initiative to better meet the needs of schools, and bring our commodities more in line, where possible, with their commercial counterparts.

Recommendations from the review include:

- Looking into offering both a hot and mild salsa chosen on the basis of taste tests.
- Exploring the purchase of a trail mix in 1.5 oz. packages (similar to what is used for raisins sold in the retail market).
- Providing spaghetti sauces, salsas, and other products in plastic and poly bags for easier handling and disposal.
- Purchasing more shrink-wrapped tray packs and shrink-wrapped pallets of commodity items.
- Continuing to purchase canned fruit in light syrup whenever possible in support of national nutritional goals.



## BROWSE NEW ITEMS ON FDP'S WEB SITE

The Food Distribution Program's web site continues to grow. If you access the USDA FNS web site at <http://www.fns.usda.gov/fdd/> and click on Food Distribution you will find:

- A revised fact sheet for Turkey Ham
- Changes to the State Distribution Agency Contact List
- A new commodity fact sheet for Catfish Nuggets, Frozen, Breaded, Freshwater
- A new commodity fact sheet for Sweet Potatoes, Fresh
- A new commodity fact sheet for Dried Blueberries
- SY 2003 Commodity Rate for Schools Participating in the National School Lunch Program
- The final report of USDA's Commodity Fruit and Vegetable Specification and Standards Review
- USDA Foods Expected to be Available In SY 2003

## Comments

Tell us your ideas for enhancing and improving the *School Programs Commodity Update*. Do you find it interesting? Does it contain information that is useful to you? Also, let us know what kind of articles you would like to see.

If you have any questions or comments on our products or service, we have an internet address specifically for this purpose: ***fdd-pst@fns.usda.gov*** or you can write to Food Distribution Division, Food and Nutrition Service, USDA, 3101 Park Center Drive, Room 520, Alexandria, VA 22302.

## Acronym List

DOD	Department of Defense
ECOS	Electronic Computer Ordering System
FDP	Food Distribution Programs
SY	School Year
USDA	United States Department of Agriculture

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***Prepared by:*** Program Support Branch, in conjunction with School and Institution Branch, USDA, FNS, FDD